

ASSEMBLY, No. 4164

STATE OF NEW JERSEY

211th LEGISLATURE

INTRODUCED JUNE 13, 2005

Sponsored by:

Assemblyman MICHAEL PANTER

District 12 (Mercer and Monmouth)

Assemblywoman JOAN M. QUIGLEY

District 32 (Bergen and Hudson)

SYNOPSIS

Allows members of PFRS hired during certain periods to serve until attainment of age 68 or 25 years of creditable service, whichever comes first.

CURRENT VERSION OF TEXT

As introduced.



(Sponsorship Updated As Of: 11/14/2005)

1 AN ACT extending the mandatory retirement age in the Police and
2 Firemen's Retirement System of New Jersey in certain
3 circumstances and amending P.L.1944, c.255.

4
5 **BE IT ENACTED** by the Senate and General Assembly of the State
6 of New Jersey:

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8 1. Section 5 of P.L.1944, c.255 (C.43:16A-5) is amended to read
9 as follows:

10 5. (1) Any member in service who has attained age 55 years may
11 retire on a service retirement allowance upon filing a written and duly
12 executed application to the retirement system, setting forth at what
13 time, not less than one month subsequent to the filing thereof, he
14 desires to be retired. Any member in service who attains age 65 years
15 shall be retired on a service retirement allowance forthwith on the first
16 day of the next calendar month, except that a member hired prior to
17 January 1, 1987 may remain a member of the system until the member
18 attains age 68 years or 25 years of creditable service, whichever comes
19 first.

20 (2) Upon retirement for service a member shall receive a service
21 retirement allowance which shall consist of:

22 (a) An annuity which shall be the actuarial equivalent of his
23 aggregate contributions and

24 (b) A pension in the amount which, when added to the member's
25 annuity, will provide a total retirement allowance of one-sixtieth of his
26 average final compensation multiplied by the number of years of his
27 creditable service, or 2% of his average final compensation multiplied
28 by the number of years of his creditable service up to 30 plus 1% of his
29 average final compensation multiplied by the number of years of
30 creditable service over 30, or 50% of his final compensation if the
31 member has established 20 or more years of creditable service,
32 whichever is greater.

33 (3) Any member of the retirement system as of the effective date
34 of P.L.1999, c.428 who has 20 or more years of creditable service at
35 the time of retirement shall be entitled to receive a retirement
36 allowance equal to 50% of the member's final compensation plus, in
37 the case of a member required to retire pursuant to the provisions of
38 subsection (1) of this section, 3% of final compensation multiplied by
39 the number of years of creditable service over 20 but not over 25.

40 (4) Upon the receipt of proper proofs of the death of a member
41 who has retired on a service retirement allowance, there shall be paid
42 to his beneficiary an amount equal to one-half of the compensation
43 upon which contributions by the member to the annuity savings fund

EXPLANATION - Matter enclosed in bold-faced brackets [thus] in the above bill is not enacted and is intended to be omitted in the law.

Matter underlined thus is new matter.

1 were based in the last year of creditable service.
2 (cf: P.L.1999, c.428, s.2)

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4 2. This act shall take effect immediately.

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STATEMENT

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9 New Jersey police officers and firefighters are subject to mandatory
10 retirement at the age of 65 under the Police and Fireman's Retirement
11 System (PFRS). For a brief period in the 1980's, however, federal law
12 prohibited states from imposing a maximum age at time of
13 appointment (age 35 years) or mandatory retirement requirements
14 based on age. Once federal law was amended in 1986 to permit such
15 requirements, New Jersey's mandatory police officer and firefighter
16 appointment and retirement ages were reinstated.

17 Unfortunately, one consequence of the reinstatement of the
18 mandatory retirement age is that police officers and firefighters hired
19 when the maximum appointment age was suspended are today are
20 being forced to retire due to age without the ability to achieve certain
21 retirement benefits. In some cases, PFRS members are being forced
22 to retire just weeks before becoming eligible for certain PFRS
23 retirement benefits. This bill provides a limited window of opportunity
24 to PFRS members to remain in employment for a reasonable period in
25 order to gain certain benefits upon retirement.